Secta. IX.37—100,000—21-3-38.

M

# Rev (1948) Department.

MS SERIES.

G.O. No. 237

Dated 4-2-48

[Despatch Abstract.]

Stamps - Stamp duty on share transfer instruments - Enhancement Abolition - Representation by the Madras Stock Exchange Association - Orders passed.

## Back Papers.

| G.O. | No. | Department. | Date. | G.O. | No. | Department. | Date. |
|---|---|---|---|---|---|---|---|
| Ms | 1082 | Rev | 27-5-41 | | | | |
| | 1878 | | 25-7-39 | | | | |
| | 2211-2212 | Rev | 31-8-38 | | | | |
| | 1674-75 | Rev | 29-6-21 | | | | |

## Further Papers.

| G.O. | No. | Department | Date. | G.O. | No. | Department. | Date. |
|---|---|---|---|---|---|---|---|

Government of Madras.

Abstract.

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Stamps - Stamp duty on share transfer instruments - Enhancement Abolition - Representation by the Madras Stock Exchange Association - Orders passed.

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Revenue Department.

G . O.Ms.No 237 Dated 4th February 1948.
Read the following:-

Letter to the president, the Madras Stock Exchange Association, Madras, No.3746 B/43-10, dated 22-5-44.
From the Joint Honarary Secretary, the Madras Exchange Association, letter dated 17-7-1946.
From the Board of Revenue, L.Dis.No.L. 2680/47, dated 15-12-1947.

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O R D E R : -

The question of reducing the existing rates of stamp duty on share transfers has been considered again by the Government. After a careful examination of the question, they have decided that there is no case for any reduction in the existing rates.

(By order of His Excellency the Governor)

G.Venkatesware Ayyar,
Secretary to Government.

To the Board of Revenue.
To the Accountant General through Finance,
To the Honarary Secretary, the Madras Stock Exchange Association
387, Esplanade, Madras.

/True copy/

R. Thiagarajan 22-1-54
Office Assistant,
Madras Record Office.

NG.

Revenue Department.

To A.S.

This file relates to the question of reduction of Stamp duty on share transfers.

2. At present, stamp duty on share transfers is levied in accordance with the enhanced rates prescribed in the Madras Stamp (Increase of Duties )Act, 1943. These enhanced rates as well as the pre-1943 rates are shown in a comparative statements on page 4 ante. The question of reducing the existing rates was last examined in G.O.Ms.No.1082, Revenue dated 27-5-1944 on a representation from the Madras Stock Exchange Association. The Government did not then consider that there was a case for the abolition of the enhancement in the rates made by the 1943 Act. The Madras ~~set~~ Stock Exchange Association was informed accordingly.

3. The question has been re-examined in this file with reference to a minute of Sir Norman Strathie, the late Adviser, in December 1945. He ordered that the matter should be re-considered chiefly because it was desirable not to place any deterrant on investment in capital and also because the chief reason for the increase of rates, namely, anti-inflation and curtailment of speculation, had disappeared. The Madras Stock Exchange Association also put in a petition later in July 1946 requesting that the existing rates of stamp duty on share transfers might be reduced or that a time-limit might be fixed within which the buyer of shares should ~~get~~ get their shares registered with a view to ~~minut~~ minimise blank transfers). The question has been examined in detail in consultation with the Board of Revenue. The notes from page 4 ante may be perused. For the reasons stated on page 14-15 ante this Department consider that there is no case for going back to the pre-1943 rates. Finance agree. (The question of undertaking legislation with a view to avoid blank transfers was dropped by the Government even in 1939 for the reasons stated at 'M' on page 19 c.f. ).

4. Subject to orders draft order submitted below is for approval.

Sd/-xxxxxxx,
H.M.(L.R) 29-1-48.

Sd/- H.M.(Finance)
2-2-48.